2. *Classification of Receipts and Payments and Objection Slips.*—The number of misclassification in the treasury accounts and the retrenchment slips increased from 145 to 2,208 in 1937-38 to 156 and 2,262, respectively, during the year under report, thus indicating a further set back in improvement as compared with the previous year. It is hoped that greater care will be exercised and misclassifications minimised, if not avoided altogether.

3. *Irregularities in Payments.*—Of the irregularities noticed, 11 cases related to excess or double payments, 19 cases of payments without pre-audit and 18 other cases of noticeable errors. These cases disclose lack of care and call for severe disciplinary action against the officials responsible. It is noted however that in the more serious instances necessary action has been taken.

4. *Inspections.*—Three District Treasuries and nine Taluk Treasuries were inspected by the officers of the Audit Department and all the District Treasuries and majority of the Taluk Treasuries were inspected by the Deputy Commissioners concerned.

B. T. KESAVIENGAR,
Chief Secretary to Government.

LAW SECRETARIAT.

Permits the Village Panchayets to spend up to Rs. 25 for repairs of School Buildings belonging to them.

READ—

Development Secretary's letter No. L. 6484—V. P. 43-33-4, dated 21st March 1935, directing that as the development of education is a discretionary duty of the Village Panchayets and as there are many other demands on the funds of the Panchayets for purposes connected with their primary and obligatory duties, it is not considered advisable to divert these funds for educational purposes such as the construction of, and repairs to, primary school buildings and teachers' quarters save in very exceptional circumstances.

2. Government Order No. L. 3323-42—V. P. 28-36-1, dated 6th November 1936, directing that in very exceptional cases, where there is need for a school building and the Village Panchayets have enough funds to spare for the purpose, after providing for sanitation and other primary needs, which are the first charge on its finances, the utilisation of the funds of the Village Panchayets for construction of school buildings may be allowed with the special sanction of Government.

ORDER NO. L. 6219-30—V. P. 20-39-1, DATED BANGALORE, THE 9—13TH JANUARY 1940.

In partial modification of the orders read above, so far as they relate to repairs, Government are pleased to direct that in regard to school buildings which are the property of the Village Panchayets, the latter may be permitted to spend up to Rs. 25 each time for the repairs of such buildings.

C. SUBRAHMANYA AIYAR,
Secretary to Government,
Law Department.

ELECTRICAL SECRETARIAT.

Administration Report of the Electrical Department for the year 1938-39.

READ—

Correspondence ending with letter No. E. D. S. 1295, dated the 29th November 1939, in regard to the Administration Report on the Working of the Electrical Department for the year 1938-39.

ORDER NO. E. D. S. 1706-60, DATED BANGALORE, THE 22ND JANUARY 1940.

Demand, Collection and Balance.—The gross demand for the year was Rs. 78,02,705 including the previous arrears of Rs. 7,06,184. Against the budget estimate of Rs. 70,00,000 under "Receipts" and the revised one of Rs. 71,11,300,

the collections aggregated Rs. 70,75,850. While reviewing the Administration Report for 1937-38, it was observed that the question of deficits in payments due from several local bodies was under the consideration of Government. Orders have since been passed on the 26th August 1939 on this question directing that deficits amounting to Rs. 3,41,596 due from certain municipalities and village panchayets to the end of 1937-38 be written off the accounts and that further deficits, if any, need not be demanded from these local bodies for the year 1938-39 and thereafter.

2. *Working Expenses.*—The working expenses under "Power and Telephones" amounted to Rs. 23,77,239 and Rs. 29,711, respectively.

3. *Revenue Returns.*—The net revenue for the year amounted to Rs. 46,68,900 after adjusting the annual contribution to the Depreciation Fund and to the Provident Fund of the Department against Rs. 42,95,100 during the previous year.

4. *Capital Outlay.*—The capital outlay under "Power" excluding stock and suspense amounted to Rs. 53,29,830 against the revised grant of Rs. 66,48,700. It is reported that the lapse of grant was mainly under the Shimsha New Project and Town Electrification Schemes due to the non-receipt of foreign materials in time for use on the works.

The capital outlay incurred on the automatic telephones during the year amounted to Rs. 64,790.

5. *Total Capital Expenditure and Net Return.*—Under Hydro-Electric Works, the total capital cost inclusive of capital on telephones, to the end of the year, as per the finance and revenue accounts, was Rs. 404·81 lakhs. The total capital expenditure on the combined Hydro-Electric and Irrigation Works to the end of the year under report amounted to Rs. 8,74,58,282. The net revenue on the combined scheme is Rs. 47,57,794, which works out to 5·44 per cent on the combined total outlay.

6. *Electrification of Towns and Villages.*—The work of electrification of rural parts continued to make good progress. The net return on these schemes works up to 7·91 per cent as against 9·78 per cent in the previous year, showing a decrease of nearly 2 per cent which is due to some of the towns, *viz.*, Davangere, Krishnarajanagar, Hunsur, T.-Narsipur, Belur, etc., for which service was given during the course of the year, having yielded revenue only for a part of the year. Besides, the rate of contribution to Depreciation Fund was raised from 2 to 2½ per cent during the year, as 2 per cent was found to be insufficient.

Irrigation Pumps.—The following were some of the important works that were carried out during the year, under this head :—

(i) Running a power line to the Irrigation Pumping Installation at Hosahalli, Shimoga Taluk.
(ii) Running a power line to the 5 H. P. Irrigation Pumping Set of Mr. N. Narasinga Rao at Hullal Estate, Bangalore Taluk.
(iii) Running a power line to the 3 H. P. and 5 H. P. Irrigation Pumping Sets of Mr. Anjanappa near Rajasandra Village.
(iv) Running a power line to the 3 H. P. Irrigation Pump of the Commandant, Mysore Lancers, Bangalore, at Byrasandra.

7. *Power Generated.*—The total power generated during the year in Kilo Watt Hours was 252,095,833 as against 238,582,090 in the previous year. The per capita consumption of power in Mysore State works out at 30 units during the year. The expenditure on administration, generation, transmission, distribution and other costs, including Depreciation Fund Contribution, etc., being Rs 23,77,239 as stated in para 2 above, the average working cost per unit of power generated works out to 1·811 pies as against 1·970 pies during the previous year. Neither of these figures, however, includes the cost of storage of water for power production, and if this were added, the cost for 1938-39 would be about 2·8 pies. It has been decided that this cost shall be included in future.

8. *Power and Lighting Installations.*—At the end of the year under review, there were 4,815 power installations and 38,370 lighting installations as against 4,340 and 34,671 during 1937-38, and 3,747 and 31,771 during 1936-37. It is highly gratifying to note that the number is on the increase year after year.

9. *Depreciation Fund.*—The amount credited to the Depreciation Fund was Rs. 8,78,853 and the total amount that stood at the credit of this fund at the end of the year was Rs. 78,37,432.

10. *Contribution Works.*—The cost of works executed for other Departments of Government amounted to Rs. 4,04,230 as against Rs. 3,90,742 in the previous year.

11. *Stores.*—The value of stores purchased during the year under report was Rs. 41,72,625 against Rs. 18,02,015 for the previous year and Rs. 17,17,913 during 1936-37. A sum of Rs. 28,04,489 represents the value of foreign purchases. The remaining amount of Rs. 13,68,136 was spent on local purchases. The Stores Management Committee is reported to have met on two occasions, once on 4th July 1938 and again on 13th June 1939 and subsequent days, and scrutinised the annual requisitions for special and general materials and also fixed the quantities to be purchased for 1938-39 and 1939-40. The report containing the recommendations of the Committee is yet awaited. Its submission may be expedited.

12. *Accidents.*—There were five fatal accidents during the year under report against ten in the previous year.

13. *General.*—During the year under review, power service was given to Davangere, Belur, T.-Narsipur, Krishnarajanagar, Hunsur and seven other minor villages. For meeting the increased demand for telephone service, Government sanctioned, in May 1939, an estimate for Rs. 4,98,120 for providing an additional 800-line equipment for Bangalore. It has been subsequently decided to carry out the work in two stages of 400 units each as the prices of materials have gone up owing to the war. The Bangalore-Kolar Gold Fields link line was inter-connected to the All-India Trunk System on the 9th February 1939. The Shimsha New Project made good progress and all the works of the first stage of the project are expected to be completed by the end of June 1940.

With a view to afford relief to consumers, the minimum return on capital cost fixed in respect of interior power and lighting works was waived in the case of heating and cooking installations, the capital cost of which is not more than Rs. 1,000. The interest on instalments due on the hire-purchase system in respect of irrigation pumps, was reduced from 5 to 4 per cent per annum. A further concession was also sanctioned by way of extending the period of final adjustment of the amount due on the hire-purchase system to five years, in special cases, instead of two years.

14. *Conclusion.*—The working of the department during the year under review was satisfactory.

H. N. COLAM,
Secretary to Government,
Electrical Department.

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